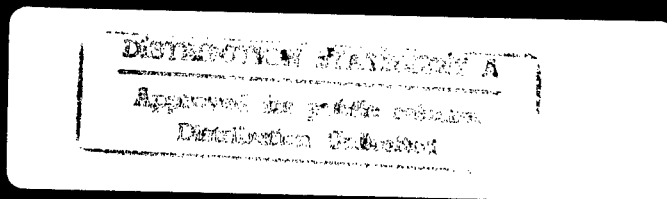




Strategic Studies Institute **SSI**

# WHY RUSSIAN POLICY IS FAILING IN ASIA

Stephen J. Blank



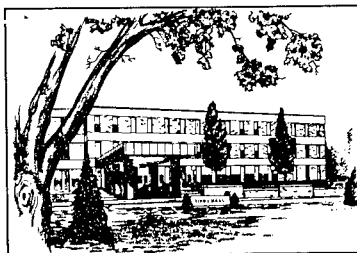
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**Stephen J. Blank**

**April 2, 1997**

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## FOREWORD

Since its inception as a state, Russia has been both a European and an Asian power. Although Russia today, as was true during much of its history, is torn by an identity crisis over where it belongs, its elites have never renounced Russia's vital interests in Asia and the belief that it should be recognized as a great power there. However, that belief and Moscow's ability to sustain it are now under threat, due, as Dr. Stephen Blank's thorough analysis informs us, to the ongoing failures of Russian policymakers to come to grips with changed Russian and Asian realities.

At the same time, this aspect of Russian policy has been neglected in American assessments of Russia. This is a serious shortcoming, because, in Dr. Blank's view, Russia's Asian policies, viewed in their full breadth, are important signs of present and future trends concerning its behavior at home and in the wider world. Those policies are also significant as Asia's importance in world affairs rises. We ignore the threatening situation facing Russia, and Moscow's failure to adjust to those threats, only at our own peril. The growing concern over Russian arms transfers to China, a subject addressed in the study, is only one sign of unexpected negative trends that might work against U.S. interests if we continue to neglect Asian aspects of Russia's global behavior and policy.

Accordingly, this study seeks to enlighten readers as to the importance of Asia in Russian policy and to stimulate public awareness and debate on these important issues for U.S. policy.

  
RICHARD H. WITHERSPOON  
Colonel, U.S. Army  
Director, Strategic Studies Institute

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## **BIOGRAPHICAL SKETCH OF THE AUTHOR**

STEPHEN J. BLANK is the Douglas MacArthur Professor of Research at the U.S. Army War College and has been an Associate Professor of Russian/Soviet Affairs at the Strategic Studies Institute since 1989. Prior to this appointment, Dr. Blank was Associate Professor for Soviet Studies at the Center for Aerospace Doctrine, Research, and Education of Air University at Maxwell Air Force Base. Dr. Blank's M.A. and Ph.D. are in Russian history from the University of Chicago. He has published numerous articles on Soviet/Russian military and foreign policies, notably in the Third World, and is the author of *The Sorcerer as Apprentice: Stalin's Commissariat of Nationalities, 1917-1924* (Westport, CT: Greenwood Publishing Group, 1994).

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## SUMMARY

Russia historically has been a major power in Asia. Yet increasingly it is being marginalized in Asian security issues, especially by the United States. For example, the new U.S. peace program for Korea omits any Russian participation. Thus Russia faces the threat of a steady erosion of its Asiatic position. The reasons for this process have much to do with the Russian state's structural incapacity for conducting a coherent Asian strategy, and the manifestations of this incapacity threaten to continue the decline of Russia's position in Asia.

The Yeltsin administration has not succeeded in creating a coherent policy process that is coordinated by regular and legalized policymaking institutions. Nor does it speak with one voice. President Boris Yeltsin has consistently championed a system of government that has disorganized institutions, prevented coherence in policymaking, deliberately fostered institutional discord among his officials, and undermined prospects for effective democratic control of the armed forces. He has also allowed a process whereby private sectors, interest groups, and factions have been able to take over state assets or policy processes and make policy on their own and exclusively for their own interests, without any consideration of Russian interests.

Due to these processes of "deinstitutionalization" and privatization of the state, Russia's Asian policies are essentially the subject of a free-for-all where rival factions contend among each other for preference and access. It is not surprising that in such an environment it proved impossible to arrive at normalization with Japan in 1992, since the armed forces and conservative forces could and did successfully coalesce and publicly oppose the government's policy with impunity. Thus the inability of the state to overcome the devolution of power to regional interest groups who can unite with the armed forces perpetuates an anti-Western orientation in Russian politics, preserves the

economic poverty of the Far East, and leads to a joint anti-Western strategy with China. This anti-Western strategy also perpetuates the state's structural weaknesses.

These weaknesses not only undermine the center's ability to govern, formulate, and implement policy, they also erode the foundations of control over regional governments. While central governmental policy is adamantly pro-Chinese, in the Russian Far East the government has fallen into the hands of a regional gang—not too strong a word—that successfully conducts a loud and xenophobic anti-China policy against Moscow's express wishes. The erosion of control over obstreperous provinces is a sign both of weak central authority and of a failure to secure the economic revival of these areas. Central policy discriminates against Russia's Asian provinces, but no less telling is the failure to maximize these provinces' potential for joining the booming Asia-Pacific economy. As Asian economies grow, these regions could be pushed into their sphere of economic influence because Moscow has shown it cannot aid or govern them. This process could, in turn, trigger a wholesale retrenchment of effective (as opposed to nominal) Russian power in Asia where large swathes of Russian territory come under the effective economic, if not political, control of states like China.

At the same time, Russia's arms producers are carrying out their own policy of selling arms and technology to China and presumably elsewhere. Arms sellers are desperate to sell because Russia's armed forces cannot buy their production and would go under without arms sales. They constitute a formidable lobby, enjoying broad governmental support and access to foreign currency. Thus they and other individuals with access either to technology or weapons have been able to sell either weapons or technologies abroad on their own and force the state to make peace with these *faits accomplis*. They are selling weapons to China, South Korea, India, Malaysia, and anyone else who would buy them. Arms sellers are also pushing these sales regardless of the fact that large sectors of the military view China as Russia's main military rival, or that the other recipients of



these weapons could easily become China's enemies, forcing Russia into a choice between them.

The ability of arms sellers to get their way also has allowed China to get its way in the military aspects of the relationship with Russia, turning Russia into the demandeur who needs China more than China needs it, and must therefore pay China for its support. Thus the danger in Russia's growing friendship with China, which is approaching the nature of an alliance and where that word has already figured in public and military discussions of the relationship, is that the *entente* with China becomes a way for China to exploit Russia for its benefit. Russia would then be the ultimate loser in this relationship, not the beneficiary of an enhanced strategic potential. Russia and China are following an openly anti-American course of action and policy; they agree on all main issues in Asia (as Russian diplomats tell us); and Moscow supports Beijing in Southeast Asia. Accordingly, the failure to devise a coherent policy process and state control threatens Russia with being reduced to following China's strategic interests to the detriment of its own national interests. But since Russia is alienating Japan and South Korea by its wayward economic policies and strange security policies, like trying to cozy up to both Pyongyang and Seoul, it lacks any alternative source of political support or capital in Asia.

In this connection, it is obvious that the Russian Federation lacks any clear concept of international economic policy to develop its own Asian provinces, or the means to implement one. Thus those regions are falling into crisis and are kept in a state of colonial dependence on Moscow while external possibilities for support are minimized. This policy can only breed more local political disaffection and further undermine Moscow's ability to bring those areas into a modern economy integrated with the heartland of Russia.

Finally, Russia's military strategy for the area has also failed to come to terms with reality. Military planners are demanding forces far in excess of Russia's capabilities and are still wedded to anti-American and anti-Japanese

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scenarios that fall too quickly into either oceanic or global conventional and nuclear war scenarios. Yet at the same time as they advocate such postures and look warily at China, they cannot modernize their forces, both for financial reasons and because China would look askance. The failure to harmonize interests or goals with means leads to the continuing degradation of all of Russia's Asian military forces. Russia cannot afford either to maintain or withdraw its current Asian based forces. And in the absence of a coherent economic policy, the weakening of military power means that Russia is losing its ability to influence regional economic, political, and military trends in Asia.

It may not be wise on our part to marginalize Russia as an Asian state, but it must be admitted that Russia is doing it to herself and that the causes are largely internal. Only Moscow can overcome this debilitating process, but there are few signs that this is happening or will happen, and few signs that we are sensitive to the tremendous implications of collapsing Russian power in Asia.

## **WHY RUSSIAN POLICY IS FAILING IN ASIA**

### **Introduction.**

Russia was busy in Asia throughout 1996. In April 1996 President Boris Yeltsin concluded a highly successful summit with China. Earlier in 1996 Foreign Minister Yevgeny Primakov held important talks with the Chinese and Indian Foreign Ministers, and former Defense Minister Pavel Grachev held important talks with Japan's Minister of Defense immediately after the summit in Beijing. These meetings indicate that Russia still attaches great importance to its position in Asia.

Nevertheless, that position is in serious danger of erosion, and Russia is already being marginalized on major Asian security issues. This situation is closely related to trends in Russian domestic and foreign policy which, if unchecked, could further undermine Russia's standing in the Asia-Pacific region.

Russia's weakness is most evident on the Korean peninsula. When U.S. President Bill Clinton and South Korean President Kim Young Sam announced a new four-power plan to initiate negotiations for a Korean peace treaty in April 1996, they conspicuously omitted Russia from their plan. Since then, Seoul and Washington have likewise ignored Moscow's vigorous protests.<sup>1</sup> Nor have Japan, China, and North Korea publicly supported Russia. Indeed, North Korea's ambassador to Russia said his government saw no need for Russian participation in peace talks. Instead, Pyongyang preferred talking only to Washington.<sup>2</sup> This rebuff came despite Russia's recent initiative to upgrade its ties with North Korea and to demonstrate a more even-handed approach to Korean issues.<sup>3</sup> But Russia's failed initiatives toward Pyongyang led to Seoul's open unhappiness with Russian policy.<sup>4</sup> Thus, while it is unclear what Russia has gained in Pyongyang,

Moscow has jeopardized its sizable and growing economic relationship with South Korea.

Earlier in 1994, Russian diplomats conceded that the resolution of North Korea's nuclear gambit highlighted Russia's "passivity" in the North Korean-U.S. talks and in Korean affairs in general.<sup>5</sup> Experts and diplomats share the general perception of Russia's passivity, and this perception reflects their common fear that Russia is increasingly marginal to Asia and that Russia's economic-political crisis could have dangerous implications.<sup>6</sup>

Though this notion of Russia's marginality to Asia offends Moscow, it illuminates Russia's absence from Asia's economic-political transformation. As other states create trade blocs and deeply integrated linkages, Russia stands relatively aloof or is still excluded from them.<sup>7</sup> Only recently has Russia joined the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) and applied to join the Asia-Pacific Economic Cooperation (APEC). But those steps cannot compensate for missing Asia's economic revolution. In 1994, Russia's Asian trade was only 1 percent of Asia's international trade, and the volume of Sino-Russian trade fell 30 percent.<sup>8</sup> While the latter figure has rebounded, compared to its potential, Russia still plays only a minor role in Asia. For example, Russia was not invited to the 1996 Euro-Asian economic summit in Bangkok, a sure sign of the real state of affairs.<sup>9</sup>

Continuing aloofness from Asia excludes Russia from Asian and global roles commensurate with its size and potential. The main explanation for Russia's marginalization lies in the domestic basis for Russian policymaking. For Russia to succeed in Asia, it must develop long-term, coherent, and coordinated policies to maximize its regional, political, and economic presence. Russia also must move beyond exporting raw materials and military goods in order to play a greater part in Asia's increasingly competitive civilian high-tech production.

Secure, stable polities and stable economies in Asia are linked. These two factors are crucial in enhancing a state's

standing and competitiveness. Many attribute Asian economic success to strong states whose policies provide a stable framework for growth and believe this is the most advantageous way for states to develop.<sup>10</sup> China, too, offers Russia the ideological attraction of a reformed economy combined with a seemingly strong state and an anti-Western security policy.<sup>11</sup> This combination particularly appeals to nationalists and supporters of the strong state in Russian policy since this model would seem to show the possibilities for success of their policy at home.

To become a major regional economic power, Russia must first develop a coherent state and policy process—establishing a legitimate, law-abiding, hopefully democratic, and, most of all, stable state with relatively predictable policies.<sup>12</sup> Otherwise, Russia's relative economic backwardness will increase, and its fading military power will decline further, making it an unattractive partner for Asian states. Russia's failure to subdue Chechnya and its general military deterioration shows the fate of military establishments that lose their economic-political foundations.

Geopolitics offers another compelling reason for Russia to reorganize itself for serious competition in Asia. The future directions of China's and North Korea's policies are so unpredictable that states who cannot keep pace with their economic-political transformation, and the strategic consequences thereof, risk exclusion from Asia's security agenda. They also risk becoming the object of other states' policies in Northeast Asia. In that case Russia, for example, would be obliged to accept decisions affecting its vital interests with little or no participation in the process of making those decisions. The U.S.-ROK initiative drives this point home.

Failure to keep up with the economic and strategic transformations of both Korean states, Japan, and China could lead to a major disaster for Russia. This danger first emerged in 1994 when the United States negotiated unilaterally with North Korea about nuclear proliferation. U.S. treaty partners supported its position only with great

difficulty. In effect, every interested party sought to promote its own policy. But Russia failed spectacularly to get anything out of this process, thereby displaying its weakness and isolation. Russia acted alone to the extent that Foreign Minister Andrei Kozyrev denied that Pyongyang had a usable atomic device, a stance that logically meant there was no crisis to worry about.<sup>13</sup>

This episode revealed many things about current trends in Asia, including the erosion of the cold war system, the weakening of the U.S.-built bilateral treaty and security structure, and the lack of a new system for the region. It also underscored the nature of the emerging Asian security system. Not only is North Korea unstable, the old Asian security system that checked it is buckling and cannot really check anyone else. As the Taiwan-China crisis of March-April 1996 also made clear, only the United States was ready, willing, or able to stand up to China's threats to Taiwan. Yet discussions over a new Asian security system remain tentative and exploratory. Inasmuch as Washington admittedly finds it difficult to define how it could play a leading role in Asia and devise meaningful concepts for multilateral security mechanisms, the risks for Russia are still greater.<sup>14</sup> For Russia, which lacks a coherent state or strategy for Asia, and is plagued by its own deep weaknesses, the risks of being economically isolated and aloof from any functioning Asian security system in a disorganized Asian state system are immense. In this regard, Russia's marginality to the Korean peace process risks more exclusion—or worse.

Russia's failure in Asia derives from its failures in institutional stabilization and economic development. Until these situations change, Russia's role will continue to diminish. For this reason, before sorting out its overall East Asian strategy and specific bilateral policies, Russia must stabilize its policy process to produce a true strategy and coherent policies. Accordingly, the following analysis focuses on the institutional dimension of Russian policy and the implications of Russia's militarization of thinking and policy for Russian security in East Asia.

Unfortunately, few U.S. observers understand how Russia's underdeveloped state structure fosters a cycle of growing Russo-U.S. tensions and furthers Russian marginalization in Asia. For example, Russia's weakness consistently has led U.S. policymakers to exclude or minimize Russia's role in Asia generally, and specifically from the Korean denuclearization and peace processes. These actions mean disregarding major Russian security interests. As Washington implements its policy, it creates friction with Moscow. Meanwhile, diplomats and journalists in Moscow reported that,

Washington has failed to understand that it cannot push Russia on such a broad front all at once—Iran, NATO, I.M.F. compliance and START II [it is noteworthy that this author omits Korea, itself a sign of Russia's marginality to Asia in American eyes-SBJ—because bureaucratically the Kremlin does not have the qualified people to manage so many issues, so the system is easily gridlocked, and because politically the system cannot swallow so much at once.<sup>15</sup>

State incapacity or underdevelopment directly marginalizes Russia, showing the risks of failing to develop an effective state. These risks are also to be found in Russia's attempts to escape from this condition. For instance, U.S. attempts to marginalize Russia led Moscow to embrace an openly anti-American rapprochement with China, to support Chinese claims in Southeast Asia, and to proclaim a new national security doctrine where close ties to China precede partnership with the United States.<sup>16</sup> Even more recently, officials of the Ministry of Foreign Affairs proclaimed that they had virtually identical views with China on all aspects of Asian security issues. Indeed, Russian presidential advisor Andranik Migranyan told a Washington conference that it was better for Russia to be Beijing's rather than Washington's junior brother.<sup>17</sup> This posture would negate any hope of Russia's continuing partnership with Washington on Asian security issues or its ability to pursue its own national interests without Chinese encumbrances. Russia remains isolated or dependent on either China or the United States, hence its strategic

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position in Asia continues to be a tenuous one that is exacerbated by the intimate connection that exists between Russia's domestic crises and its strategy/ies in Asia.

### **Explaining Russian Security Policy in Asia.**

Russia's low capacity to formulate and implement policy appears in numerous procedural and substantive foreign and defense policy conflicts that hold security policy hostage to domestic politics.<sup>18</sup> Foreign and defense policy remain a realm of many conflicts: No standard procedure or institutional basis exists for formulating security policy or resolving those conflicts. There is no inter-agency process or regular mechanism for the making, formulation, and execution of policy. Rival ministries, the Security Council, the new Defense Council, the legislature, the President's and the Premier's personal administrations, interest groups both in and out of government, all can express their views and have them heeded without regard for order and context.<sup>19</sup> Thus,

The activities of economic interest groups have perhaps been less well publicized, yet, to name just a few examples, it seems certain that Russia's atomic energy complex has exerted significant influence over Moscow's increasingly assertive policies vis-à-vis relations with Iran and North Korea; that Russian oil interests have undermined the Foreign Ministry's efforts to thwart a Western oil consortium from exploiting energy resources in the Caspian Sea and potentially limiting Russia's influence in the region; and that the uncontrolled activities of Russian arms merchants have complicated the tasks of Russian diplomacy in a number of foreign capitals.<sup>20</sup>

Likewise, much of the policy of arms sales to Asian states has not only eluded state control, but has become increasingly "privatized"; i.e., private and/or sectoral interests act independently of state supervision with little regard for the strategic ramifications of their sales.<sup>21</sup> For example, it was just revealed that Mikhail Simonov, General Director of the Sukhoi Design Bureau, negotiated the deal giving China a production license for indigenous manufacture of the SU-27 fighter. This was done without



official authorization, thereby committing Russia to a substantial upgrading of China's strategic capability with no compensation.<sup>22</sup> Or as Kevin O'Prey writes about arms sales policy,

People who decry the gridlock in [the] U.S. government would be in a shock if they were to look at the situation in Russia. In Moscow there is no gridlock. Rather, on bad days there can be five new laws or decrees issued, some of which are contradictory and few of which are obeyed. . . . Beyond the pulling and hauling of competitive bureaucracies, the Russian policymaking process appears to have no rules. Decrees are occasionally issued by aides to the president in his name but without his knowledge. The government at times issues decrees despite the opposition of the president. The new legislative branch—the Duma and the Federation Council—in the meantime is still getting accustomed to its proper role. Further complicating matters, many of the initiatives churned out by Moscow are totally ignored by regional governments and the enterprises. As a result, the government can stumble into armed conflicts like that with the separatist Chechen region without consulting with the legislative branch or, for that matter, many of the relevant ministries.<sup>23</sup>

In fact, Yeltsin has deliberately fostered this situation to his political advantage. Since all chains of policy and command are vertical ones ending in Yeltsin's office or person, the absence of horizontal integrating structures makes all politics a contest among rival factions for access to him.<sup>24</sup> Yeltsin, like his predecessors, realizes his power grows if all other institutions remain divided and underdeveloped. Presidential power grows substantially but at the price of a lack of coordination, domestic chaos, and reduced status abroad. Yeltsin's techniques for stabilizing his power actually aggravate Russia's crisis rather than resolve it.<sup>25</sup>

A March 1995 decree placed the Ministry of Foreign Affairs (MFA) directly under Yeltsin to coordinate and monitor the activities of other agencies of the executive branch and to ensure they pursue a unified policy. But such decrees come and go. Indeed, one reason Yeltsin appointed Primakov to replace Andrei Kozyrev as Foreign Minister

was his desire to implement this decree and therefore in March 1996 he signed a new decree on the Foreign Ministry's coordinating role in the foreign policy process.<sup>26</sup> Meanwhile, in December 1995 a new coordinating council was set up, not to monitor the actual policy, but rather to monitor its implementation. This has been a time-honored Russian and Soviet tactic that only paralyzes policymaking still further.<sup>27</sup> But since Primakov has been able to defend his turf, the council now plays no role and represents another misguided bureaucratic device that went awry.

The reorganization of the Security Council and a new Defense Council will also exacerbate the structural tensions among policymaking institutions regardless of the personalities involved. Here, Yeltsin appointed retired General Aleksandr' Lebed to head the Security Council, granted him extensive powers to pursue security and actions against crime and corruption, and appointed Lebed's choice, General Igor Rodionov, as successor to Grachev. Yeltsin then published a draft law setting up a second "Military Council" which would make decisions that are "binding on all ministries and agencies under whose jurisdiction there may be armed forces, other military units, and military agencies."<sup>28</sup> And the Defense Council's powers were already changed by Yeltsin to take Lebed down a couple of steps in October 1996. Similarly, it should be noted that only in June 1996 did the new Law on Defense, which this draft contradicts, go into effect. In this context chaos reinforces bureaucratic despotism, political confusion, and authoritarian rule unaccountable to any law or institution.

Still, these decrees will ultimately only be as effective as all these men can make them, a fact that displays the preeminence of personality rather than legality in Russian politics. The 1995 decree might only have led the MFA to be more assertive in the bureaucratic jungle. Had Kozyrev been too successful, Yeltsin would likely have undermined his authority. But since Kozyrev failed to improve the situation, the new agency was set up and he was fired. However, it is not clear whether policymaking will improve, change, or become more coherent.

Hence, absent a true rule of law, no ground rules for bureaucratic and inter-branch interaction exist. For instance, in the Chechen terrorist fiasco of January 1996, the Ministry of Interior spokesman contradicted the spokesman for the Federal Security Service publicly stating, "We don't talk to each other—We don't plan together."<sup>29</sup> And as Chechnya repeatedly shows, commanders on the ground have repeatedly refused to implement Yeltsin's orders or policies without suffering any consequences of this insubordination. Likewise the Ministry of Atomic Energy and Ministry of Defense (MOD) each act as a state within a state.<sup>30</sup> Thus the system of defense policymaking is uncontrolled and uncoordinated. Yeltsin's periodic decrees to end confusion in policymaking have had the opposite effect. New decrees will change nothing.<sup>31</sup> Until and unless a state order is established, Russia's marginalization in Asia and elsewhere will accelerate. If Russian power and influence are to recover, Russia must reverse this "deinstitutionalization."<sup>32</sup>

Debates over foreign and defense policy are not necessarily or exclusively over institutional turf and budget interests, or personal rivalries. Persistent, pervasive, and fundamental ideological cleavages over national identity and interest create a second enduring problem.<sup>33</sup> These cleavages manifest themselves in the substantive executive branch discord that exists with Parliament over fundamental policies. Without the rule of law, there is a free-for-all. Parliamentarians feel free to denounce their government's policies in ways that weaken international confidence in Russian policy or its makers; e.g., by voting to nullify the dissolution of the Soviet Union, as in March 1996.<sup>34</sup>

Third, intense discord over general and specific policies across the entire political establishment exacerbates domestic political discord. For example, while Russia swaps arms for debt to South Korea, other elites in and out of government openly urge new arms sales to North Korea.<sup>35</sup> By all accounts, intense battles over Korea policy, did—and still—occur.<sup>36</sup> These debates evoke an uncertain, even

confused policy abroad. Certainly such visible divisions over policy have not helped Russia obtain its aims with either Korean state.

A fourth cause of failure to make a coherent policy is that Yeltsin thwarts stable policymaking by acting either against his ministries or without their knowledge. For instance, the Ministry of Defense was not consulted before the invasion of Chechnya. Clearly, Yeltsin, like his predecessors, feels untrammelled by—or unaccountable to—anyone or any institution.<sup>37</sup>

Therefore Russian policy emerges from intense struggles among institutions and personalities. These struggles occur despite a working strategic consensus on two points: first, that Russia must have a free hand across the Commonwealth of Independent States (CIS) to reestablish its hegemony over the territory of the former USSR and reunite it. The second point is that friendship with China is essential to Russian interests.

The absence of the rule of law and the inadequate constraints on political participation also allow military leaders to agitate publicly for their goals. This fact legitimizes the military's politicization and its earlier efforts to usurp control of foreign policy.<sup>38</sup> And this factor also erodes all hope of effective, civilian, democratic control over the armed forces. Kozyrev consistently claimed that the MOD and intelligence agencies sought to usurp foreign policy. Indeed, he told U.S. audiences that failure to support his arguments on major issues meant he would be speaking to us "from the Gulag."<sup>39</sup> This apocalyptic and hysterical rhetoric underscores Russia's weakness and uncertain policies.

Grachev's 1993 remarks about relations with South Korea confirm Kozyrev's claims. In no democracy would Grachev have said,

I am willing to exchange opinion and cooperate with all Asian countries and their military leaders on all issues falling under the jurisdiction of our business. . . . even in those instances in which politicians and diplomats were at a loss to solve

problems between two countries, soldiers were capable of finding common ground within the framework of military cooperation between the two.<sup>40</sup>

Grachev never altered his views. Instead he admitted that he has refused to implement presidential decrees in Chechnya for at least a week because he thought they were strategically ill-conceived.<sup>41</sup>

These trends in civil-military relations mirror broader trends in the body politic as the war in Chechnya and the repeated convulsions atop the Russian power institutions continue to show us. Yeltsin told the Duma in February 1995 that,

The institutions of state power have yet to accumulate sufficient weight to ensure that **force does not have to be applied to restore Russian sovereignty on their territory**. Today, the state has to resort to the exercise of its right to use strong-arm methods in order to preserve the country's integrity.<sup>42</sup> (emphasis in original)

Unfortunately, 18 months later, this is still the case. These remarks concede Yeltsin's failure to build coherent and legitimate governing institutions and preserve Moscow's undivided authority in security policy.

### **Center-Periphery Relations.**

Moscow's relationship with local or regional governing institutions in Russian Asia is no different or better. And as these provinces are crucial gateways to the rest of Asia, the failure to build stable relationships with them is an ominous one. Evgeny Nazdratenko, Governor of Russia's Maritime Province (Primorskii Krai), is unilaterally attempting to undo Russia's border treaty with China by sealing the border and restricting immigration. These acts threaten the 1996 five-power treaty with China, Kazakhstan, Kyrgyzstan, and Tajikistan, delimiting the Sino-Russian border, returning some 300 hectares of land seized a century ago to China, and instituting confidence and security building

measures (CSBMs) along the border; a major achievement of Yeltsin's government.<sup>43</sup>

Maritime Territory authorities vow that they will never surrender the land because (1) it has been Russian from time immemorial, and (2) it is a strategic staging area for Russia that, if turned over to China, would give that country access to the sea.<sup>44</sup>

Therefore, a key member of the commission to demarcate the boundary, General Viktor Rozov, resigned because he could not supervise policies harmful to the state. Then the Ussuri Cossacks decided to defend the land on their own and now guard the disputed lands with mounted patrols which Nazdratenko supports, another case of rupturing civilian democratic control of the armed forces.<sup>45</sup> Nazdratenko's continuing tenure in office despite his insubordination, politicization of the local military and paramilitary forces and challenge to Moscow's priorities illustrates the weaknesses in Russia's Asia policy.

Russia also still lacks coherent institutional arrangements for implementing a national economic or security policy. Yeltsin and his subordinates have no effective party or political organizations with which to discipline independently minded governors and local politicians. The unwieldy system that combines elected representatives with centrally appointed governors, like Nazdratenko, has failed because governors like him have become advocates for continued central subsidies even as they obstruct structural reforms that harm their interests.<sup>46</sup> Consequently, Nazdratenko's policies hobble Russia's interaction with Asian economies and Primorskii Krai remains one of Russia's most depressed regions. Naturally this depression adds to the region's estrangement from Moscow as shown in the Parliamentary elections of December 1995, when this region went heavily for Vladimir Zhirinovskiy's Liberal Democratic party and the Communist Party. This estrangement from Moscow also appears in the publicly voiced sentiments of the local businessmen who profess to have turned their backs on the domestic market

even though the region cannot survive without Moscow providing basic goods and services like electricity.

Primorskii Krai's complaints and assertiveness against the center are hardly isolated phenomena. Rather, they epitomize a general tendency in center-periphery relations with important consequences for Russia's Asia policy. Regional governments display a persisting assertiveness to further decentralize their relations with Moscow, e.g., by moving from federal to confederal relations, or from nominal to real federalism. This demand unites republics, districts, and regions, and reflects local elites' ambition to control their own resources free from Muscovite control.<sup>47</sup> Some Western observers worry that Russia might disintegrate or that central controls will loosen beyond Moscow's ability to conduct a national economic policy. The Siberian and Far Eastern provinces are particularly vulnerable to those possibilities or threats.<sup>48</sup> In early 1996 Yeltsin had to sign an agreement with Khabarovsk Krai's Governor, Viktor Ishayev, giving the region more powers and assistance, and announcing a new program to revitalize the Russian Far East as part of his reelection campaign.<sup>49</sup> Even more central provinces like Bashkortostan also demand greater autonomy.<sup>50</sup> All these assaults on an enfeebled central government by regions experiencing emigration, insufficient population to support the region, a distorted trade structure, and who cannot control trade and labor policies underscore Moscow's lack of a "coherent policy to deal with the end of the central government's dominance of the Far East."<sup>51</sup>

If central power does recede, despite Moscow's best efforts, that would have enormous security implications for Russia and Asia. A recession of Russian power would stimulate greater international competition for influence along Russian and CIS Asian frontiers. Such an outcome would then validate the most alarmist of current Russian threat scenarios that every other major and neighboring power is interested in breaking Russia up. As Sherman Garnett suggests, Moscow ought to open the region to planned multilateral foreign investment to create a balance

between competing interests and ward off such a danger.<sup>52</sup> But, absent a coherent policy such competition will not develop and the region will either stagnate or come under unilateral foreign influence. Some analysts, like Alexander Nemets, suggest that this has already begun and that China is establishing regional hegemony.<sup>53</sup>

The Chechnya tragedy, Moscow's greatest regional challenge, suggests that Russia has nothing to offer its Asiatic provinces or Asia in general except armed force of questionable quality. Whereas Tsarism and Soviet power had superior state organizations, attractive ideologies, and a deeply rooted sense of Russia's civilizing mission, today those elements are gone. Instead, Russia itself must learn from Asia, a most difficult requirement. Thus, as Allen Lynch observes, "a centuries-old process whereby Moscow extended and maintained its rule throughout Europe and Asia is now being reversed. The only question is where the new line of Moscow's effective jurisdiction will be drawn."<sup>54</sup> Moscow predictably reacts by regarding any concession to decentralization as a mere prelude to further rising demands against its power. Therefore, it resists these demands.<sup>55</sup> But Moscow cannot make this resistance stick or improve local conditions to overcome the sources of unrest.

Hence Nazdratenko's insubordination reflects a broader struggle between Moscow and the provinces for power. Moscow's resistance to devolution will probably trigger strong clashes over center-periphery issues including Asian policy. Kozyrev stated that neither he nor Yeltsin had gone to China, Japan, or Korea without consulting with the appropriate regions on all questions. Yeltsin's trip to Khabarovsk on his way to China in April 1996 confirmed that. Just before his dismissal, Kozyrev belatedly awoke to the danger inherent in the Far East and Siberia not being integrated with Moscow and declared that Moscow should show them its solicitude. Naturally, he attributed his concern to the regime's poor showing in the Far East during the 1995 elections. But, at the same time, he noted that the Far Eastern provinces should begin to seek their role in Asia



and Russia could assist them in doing so.<sup>56</sup> Kozyrev's statements indicate that Russia's Asian policy remains hostage to domestic, institutional, and center-periphery struggles, even as Moscow's centralizing policies are widely held responsible for these provinces' anger at Moscow as well as their continued impoverishment. Moscow and the provinces are locked in a fatal embrace, where each side prevents the other from making progress. The ensuing absence of policy opens the way to autonomous regional politics. Former Governor Valentin P. Fedorov of Sakhalin, in blocking concessions to Japan since 1992, showed how enterprising regional governors can successfully join with the military to constrain Moscow's policies.

While some U.S. observers make strident, if not overstated claims that the Russian state is "weak and irrelevant," decaying, and either dying or disintegrating; in fact, center-periphery problems are serious, persistent, and widespread.<sup>57</sup> The evidence of these struggles suggests that Moscow and the regions are each too fragmented internally to act unilaterally or coherently. Certainly there seems to be a constant struggle in the Maritime Province. And this struggle is being duplicated in several other provinces. Yakutia (or Sakha) demands direct access to China and Japan so that it can sell its gold and diamonds there and avoid exorbitant Moscow-based transportation costs and taxes. In late 1995 Ishayev joined what he stated was a growing mass movement in Khabarovsk Krai to support the idea of a Far Eastern Republic. Ishayev expressed enormous frustration at Yeltsin's and Prime Minister Viktor Chernomyrdin's unwillingness to reverse the enormous transportation tariffs or ensure that their instructions are carried out.<sup>58</sup> He concluded that,

We must have rights which will ensure that we can develop our own economy and use our natural resources for the good of the region and its inhabitants and the whole of Russia. For this we need our own network of banks, not, like, now, dozens of branches of Moscow banks which merely gobble up our money, our own customs service, and our own tax police and inspectorate. And as you can see these are the attributes of a republic. Incidentally, the antagonism of the territories is, in

many respects, generated by the lack of openness and glasnost' in their mutual relations with the center, in the division into favorites and the unloved. . . . We are trying to achieve one thing: if the center does not help us to develop the economy and solve social problems, let it not get in our way.<sup>59</sup>

Yeltsin's new program for the Russian Far East and Siberia are clearly efforts to stop this movement. But previous programs that went nowhere are all too numerous and by July 1996 the Far East again faced a major economic crisis to which Moscow has responded lamely.

The ubiquity of regionalist sentiments shows that Moscow will confront enormous pressures until and unless it creates a viable government and political process. Cross-cutting cleavages among political actors, lobbies, and factions will impede resolution of many issues and could trigger demands for harsh recentralization, regional secession, a stable devolution of power, or other unforeseeable consequences.

These intense central-local struggles and fragmented policy processes have immense implications for Russia's domestic, foreign, and defense politics. Socio-economic reconstruction in Russian Asia is the foundation of any coherent policy towards Asia as a whole. But a state so gridlocked that it cannot devise the necessary institutions or policies will foster fragmentation and/or opportunities for inter-bloc coalitions that further impede reforms and democratization.<sup>60</sup> It is precisely Russia's incomplete and unfulfilled democratization that has generated these possibilities for civic, and/or civilian-military, factionalism and political gridlock. This gridlock and factional strife have held reform hostage by legitimizing the use of nationalism, e.g., in the Kurile Islands, to obstruct reforms and an approach to Asia.

Furthermore, protracted internal instability over federal-local issues of sovereignty, power, and control of resources frightens off prospective Asian and Western investors whose capital is essential for any reconstruction.

A Russian delegate to ASEAN's 1993 ministerial conference observed that,

By stating their desire to be separate from Moscow, certain political forces in Siberia and the Far East are merely scaring off potential investors. No one is going to invest money in a country where there is no central authority to control the situation in the regions and protect foreign capital investments. As soon as there began to be talk of creating a Far East Republic, the ASEAN countries froze several joint projects which were of great advantage to us, including one on the construction of plants in Amur Oblast.<sup>61</sup>

In 1995, Vladivostok's provincial and municipal government's exorbitant demands for taxes, payoffs, and kickbacks, and its criminality led Hyundai to pull out of major investments there.<sup>62</sup> This episode dramatized the link between Russia's unresolved domestic crisis and its inability to obtain the international resources needed to move forward in Asia. Since greater integration with Asian economies is universally regarded as a fundamental precondition for Russia's advance in Asia, such misadventures and the larger domestic policy failures preclude that advance. Regardless of Russia's specific foreign and defense policies, failure to establish a legitimate or stable economic-political order will impede regional development in Russia's Far East as well as the formulation of a coherent Russian Asian policy. As long as Russia cannot create a viable civic order at home, few will seek its counsel, and it will continue to be marginalized in Asia. Unfortunately, a state like Russia, when denied the normal kinds of relationships with its neighbors and partners abroad, will find "abnormal" ways to relate to them. And these "abnormal" relationships that hold back regional stability and progress will be much harder for the United States to deal with in the future.

### **Domestic Politics and Arms Sales.**

The fiasco of the SU-27 licensing deal with China, cited above, shows how the breakdown of the policy process adds to the dangers to Russian security in Asia. Russian arms

sales to Asian states exemplify the "abnormal" relationships that have emerged in the absence of sufficiently "legitimate" or normal international relations within the state and between Russia and Asian governments. The absence of viable central institutions to direct security and economic policies; endemic factionalism; poorly restrained self-seeking interest articulation and aggregation; inter-branch animosity; ideological cleavages; and the absence of a coherent strategy for Asia, all manifest themselves in Russian arms sales to Asia, especially to China, Russia's single largest customer.<sup>63</sup>

For example, in the absence of a coherent policy that provides for the regional development of the Russian Far East and the demilitarization of the post-Soviet economy, arms factories in this region have withstood pressures for reform only by producing weapons for export to China. Thus they become a lobby for continued sales as well as an impediment to future reform.<sup>64</sup> Their stance gives China leverage in both Vladivostok and Moscow despite regional authorities' anger at the unceasing flow of Chinese immigrants and traders into the area.<sup>65</sup> But in the absence of coherent central policies for Russia's regions and for civilianizing the economy, there are few other likely options.

China's motives for seeking arms are clear. China not only wants to obtain weapons platforms, like other Asian states, it also wants production techniques and state-of-the-art technology.<sup>66</sup> Many Russian officers are reluctant to provide offsets that would strengthen their most likely Asiatic military rival. Yet the absence of coherent state authority and policy led Sukhoi to think only in terms of its sales and not of Russia's national interests. Moscow then had to accept Sukhoi's deal lest China become angry.<sup>67</sup> Sukhoi's actions underline the defense industry's constant pressure to sell without restrictions, as well as the fact that arms sales policy offers many uniquely corrupting opportunities to this industry which exercises considerable influence on arms sales policy. In fact, it is a graphic example of the overall privatization of security policy—the pursuit of private interests at the expense of national

goals—due to the failures at the center. Arms transfer policy is a particularly deep-rooted manifestation of this process.

In 1992, then Vice-Premier Aleksandr' Shokhin admitted that many design bureaus and enterprises were seeking private deals with China.<sup>68</sup> By 1993 Russia had no idea how many scientists were working in or for China and could not control the arms sales process. Andrei Kuzmenko said then, "The producers are now more or less independent. And they have their own independent lobby."<sup>69</sup> Other reports confirmed Kuzmenko's remarks and blasted sales like the transfer of an enriched uranium plant to China because they were largely paid for by consumer goods instead of cash.<sup>70</sup> The opportunities for mindless pursuit of private gain are even greater today because, since 1995, Yeltsin increasingly has allowed arms producers to sell directly to buyers.<sup>71</sup> During his 1996 reelection campaign, he yielded further to the defense industry and gave it a ministry so that it could export more freely and receive more state subsidies. As is well known, without these subsidies, the defense industry would collapse.<sup>72</sup> Even if Yeltsin subsequently reverses himself, it is unlikely that the government can control the flow of arms or secret deals due to the pervasive official corruption.

Unregulated and unrestricted arms sales are potential dangers to Russia's overall Asia policy. Obviously, giving China high-performance jets, Kilo-class submarines with their inherent quieting technology, and uranium enrichment facilities improves Beijing's capacity to conduct conventional power projection and ASW operations as well as to produce nuclear weapons. Due to the progressive eradication of effective controls over arms sales, Russia has become the main source of foreign support for China's military modernization even though Russia's government and military know very well the risks involved.

But this understanding cannot help change the situation, since the arms sales in post-communist Russia have been turned into a certain kind of MIC [military-industrial complex] foreign policy that is actually beyond the control of the Parliament, the Ministry of Foreign Affairs, and even the

Ministry of Defense. In reality, any military plant can easily avoids bans or restrictions imposed by the government in selling weaponry to another country, if not directly then through intermediary commercial companies, which tend to disappear the day after the deal is done. (Also, the seller can easily bribe customs officials, who will register a MiG fighter, for example, as scrap metal.)<sup>73</sup>

Recent Russian analyses of arms sales to China are even more scathing in attacking the strategic mindlessness of these sales and the lack of any strategic foresight among those making the policy.<sup>74</sup>

These trends in arms sales suggest that in many ways Russia (or key economic, military, scientific, and political elites) could be corrupted by or become hostage to Chinese policies and developments. That outcome would severely limit, if not undermine, reform. Thus Russian arms sales to China bridge domestic policy and security concerns and could, in and of themselves, raise considerable risks and costs to Russia. Since China is Russia's most prominent partner in Asia, the volume of arms sales to China makes those sales critical policy instruments. The systems being sold and the linkages thereby established may exert major influence on Russia's future domestic and foreign policies. The profitable arms trade with China and Asia stimulates and justifies the demands of the defense industry to control arms sales along with its new freedom to sell weapons abroad. The importance of arms sales also attracts both the MOD and MFA as well as the defense industry, each wanting to control the process and policy. Thus, a full-scale turf battle occurs among agencies that want to control and benefit from the overall arms sales program.<sup>75</sup> The military-industrial complex and Yeltsin's recent decree confirms that this element in Russian society and politics seems to be winning this battle. But the upshot of that victory is continuing absence of any sense of national interest on the part of defense enterprises' management.

The defense industry's primary objectives are direct control over foreign currency and operating freedom. Defense industrialists also want a privileged relationship

with the government and continued preferential treatment through subsidies. Defense industrialists and their allies view arms sales as a way to avoid civilian conversion and to continue defense production for export under state protection.<sup>76</sup> The establishment of such a long-term relationship between the state and the defense industry would perpetuate the defense industry's privileged position in the state, a major contributory cause of the ruination of Soviet military power. Continued large sales to China and other Asian governments are a most crucial element in this process.

Viktor Glukikh, former Chairman of the State Committee on Defense Industry, admitted that only arms sales could fund investment in the defense industry since weapons procurement has been radically slashed since 1991.<sup>77</sup> Similarly, this lobby's leaders continually broadcast their plight to demand more and more state support lest the industry go bankrupt. These pleas have elicited pledges of future support from key officials. Furthermore, Yeltsin has increased defense spending, liberalized the rules for arms sales, and created a ministry of defense industry.<sup>78</sup> But even that fails to satisfy many defense industrialists who unanimously supported the League to Support Defense Industry Enterprises' April 1995 call to form their own political party and strip the MOD of some powers that should go to Glukikh's Committee.<sup>79</sup>

At the same time, Grachev often reiterated that the MOD should control and run the arms sales program.<sup>80</sup> Although some elements of the MOD opposed selling individual models of high-tech, state-of-the-art-weapons, the MOD overall was dangerously willing to sell such models through the companies it controls.<sup>81</sup> Grachev and the MOD evidently tried to establish autonomous sources of funding exclusively under his control for this purpose.<sup>82</sup> For instance, in 1995, military space authorities sold three of Russia's most advanced upper-stage rocket engines to China in violation of the Missile Technology Control Regime, and did not go through NPO Energiamash, the only legal entity licensed to sell this engine.<sup>83</sup> The identity of the

person or persons who authorized the sale and pocketed the proceeds remains a mystery. This episode and the Sukhoi-27 deal both point to eroding state control.

The dangerous implication of the rivalry over arms sales is that Russia has no enforceable export control law. Presidential decrees governing export policies are subject to change at any time. Nor can the government currently enforce any coherent policy. The government is notoriously corrupt, while the defense industry is increasingly part of large financial-industrial cartels that depend on bank capital that the state controls. Or else, defense industries depend on state orders for weapons or licenses for exporting arms. These relationships offer many possibilities for "privatization," and corruption of arms sales by selfish interests and officials is very great. State control, where state officials have a pecuniary interest in permitting sales for a price and can satisfy that interest with impunity, is also a contradiction in terms.

These factors illustrate the many domestic risks present in the extensive arms trade with China, and other Asian states who may yet become embroiled with China. India has already raised questions about the sale of advanced fighter aircraft to China.<sup>84</sup> China reportedly acts clandestinely and directly with Russian producers and sellers of military systems and technologies rather than through Moscow.<sup>85</sup> That impedes civilian control over the military and defense industry and conceivably could also further corrupt Russian politics as a whole by increasing China's covert influence on policy. Even where Moscow knows about the deals being made, it is unclear if it controls the policy or the process.

### **Russian Arms Sales and Asian Security.**

Russia's uncontrolled arms sales program to China also has serious implications for international security in Asia. Russian arms sales to China could encourage Beijing's coercive diplomacy, or even military actions. Chinese gambits along such lines would degrade Asian security, and spur a brisk regional arms race. Certainly everyone is



already buying advanced arms, and defense spending in key states like China and Taiwan is growing. Furthermore, China clearly has an expansionist naval and military strategy and repeatedly threatens the vital interests of its neighbors.<sup>86</sup> For instance, in 1996 it used missiles in international waters in peacetime against Taiwan. Regardless of whether one believes China has a strong case regarding Taiwan, this certainly is an unprecedented use of force in peacetime.

Russia's efforts to sell arms to other Asian states also appear to be poorly thought out regarding their implications for Russia or for Asian security. Russia's existing arms sales also foster growing mutual suspicion among Asian states and could hinder Russia's relations with them. In 1993 Japan's Miyazawa government increasingly tied arms sales to China to the return of the Kurile Islands as a precondition for aid to Russia, because it rightly saw these arms sales as anti-Japanese.<sup>87</sup> While Russia also offers arms across Southeast Asia and to South Korea, it appears to be unconcerned that these states are among the most suspicious of China's aims and could easily become involved in a local war against China or North Korea, alternatives that would force Russia to make uncomfortable policy choices.

Continued arms sales to both Korean states could easily contribute to the risks to Russia's own security if inter-Korean relations keep on deteriorating. Advocates of Russian arms sales to North and/or South Korea, which include the General Staff, fail to grasp the dangerous implications of arms sales to either Korean state.<sup>88</sup> Thus from 1992-94, the growing signs of Russian arms sales and technology transfers, including talk of nuclear technology transfer to South Korea, certainly increased North Korea's already great interest in playing the nuclear card.<sup>89</sup> More recently, the advocacy of arms sales to North Korea remains strong. Those favoring such arms sales to Pyongyang do so even though Russia now seeks a new treaty with Pyongyang that would eliminate the automatic response to aggression clause contained in the 1961 Soviet-North Korean treaty.

Allegedly selling arms to the North (which cannot pay for them) will somehow restore Moscow's "leverage" over Pyongyang and make Russia a player once again in Asia. Russia has apparently tried to convince South Korea's government that the agreement of June 1994 to suspend military sales to North Korea is conditional upon South Korea buying Russian arms for Russian debt.<sup>90</sup> This is an attempt at blackmail which has already helped to jaundice Seoul's view of Moscow. Here, too, the risks of so unrewarding a policy seem to have been overlooked in the military-industrial complex's and hard-liners' rush to satisfy dubious institutional, material and ideological aims that relate primarily to Russian domestic politics.

These examples demonstrate that defense firms and their governmental allies, who have captured state policy, rationalize arms sales to Asia as a major instrument of a new Russian standing and presence. Kozyrev accepted their view when he told ASEAN's 1993 Annual Ministerial Meeting and Post-Ministerial Conference that Russia views arms sales as a way to enter Asia's security agenda and restructure its security order, e.g., by establishing an arms trade code.<sup>91</sup> In 1995, he proposed a code of conduct for Asian security that also included arms sales.<sup>92</sup> Since Russia's current economic and political crises preclude any imminent revival of its economic standing and partnership with Asia, arms sales will long play a disproportionate role in policy.

Accordingly, the economic-political failure to transform the defense industry into a productive and going concern and the structure of Asian interstate relations drive Russia to make arms sales the centerpiece of its Asian policy. Yet, the policy of arms sales as the central ingredient of Russian relations with Asia perpetuates political and economic irrationalities that undermine reform. Such policy decisions undermine, rather than enhance, Russia's influence in South Korea, North Korea, and Southeast Asia. In the case of Southeast Asia, Russia is regarded, apart from arms sales, as a marginal player, invited by courtesy to ASEAN's Asian Regional Forum.<sup>93</sup> Furthermore, Russia has made clear its intention to support Beijing's views on Southeast

Asia, namely that ASEAN must adopt a one-China policy and conform to China's preferences on the troubling issue of the Spratly Islands. China's policy paper advocating this position, that Russia gratuitously signed onto, irritated ASEAN and can impair Moscow's standing there.<sup>94</sup>

China's own growing role as arms exporter also heightens this subject's importance. Joint venture or co-production accords could lead China to produce Russian systems or foster joint production with Russia for re-export abroad at dumping prices that undercut Russian producers. Since Chinese arms sales firms are lucrative preserves of key leaders' relatives and essential for military modernization, strong domestic pressures exist in China to maintain or expand China's ability to produce and sell high-quality weapons.

Most dangerous for Russia, however, is the fact that its dependence on Chinese arms purchases robs it of diplomatic flexibility in Asia. Moscow has renounced normalization with Japan, and used ties with China to resist U.S. pressures and assert its independence in world affairs. This stance does not add to Russia's flexibility, but rather minimizes it since it depends on China. Indeed, Migranyan said publicly that Russia would prefer to be Beijing's little brother rather than Washington's. Russia, then, is no longer available to balance against China's possible hegemony in Asia and stands closer to Beijing than to Washington, just as China stands closer to it than to Washington. This situation leads both states to try to restrict U.S. influence in Asia.<sup>95</sup> But while Moscow seeks Beijing's support for its entry into APEC and Asia as a whole, China has used the tie to Moscow to draw closer to Washington, indicating that Miasnikov's warnings about China's probable betrayal of Russian interests may have merit.<sup>96</sup> Thus, in a real sense, Russia cannot now opt out of the arms sales business to China because that policy is its sole source of leverage upon Beijing. If Russia wants to gain such entry into Asia, especially since Russian policy is increasingly anti-American and ties with Japan are still frigid, it now must follow China's lead. Yet by tying itself to Beijing and

throwing good money and resources after bad, Moscow incurs substantial and growing economic-political opportunity costs as well as possible future military dangers. As a result, Russian arms sales contribute heavily to a policy that ultimately contradicts and endangers Russian interests in Asia.

Ultimately the centrality of arms sales in Russian policy towards Asia stems from the failure to break through to a new level of economic and political reconstruction that can stabilize the defense industry and limit its political clout. As a result of that failure, this industry constantly tries to attach itself to the state and also serves as a conduit through which key state players are corrupted because arms sales are so profitable. Thus the result from the failure to reform is the corruption of major state actors, institutions, and the policy process as a whole. Actually, policy is significantly "privatized," becoming a vehicle for the enshrinement of private pecuniary lobbies over strategic national interests. And the beneficiaries of this state of affairs are precisely those who are inclined to stress military instruments and an anti-Western and traditional Realpolitik view of the world as the basis of Russian policy.

Accordingly, Russia's leading military columnist, Pavel Felgengauer, who has excellent ties with the General Staff, wrote that defense industry and government spokesmen believe that,

The sale of Russian-made fighters, submarines, advanced and long-range strategic S-300 PMU-1 surface-to-air missile systems and Smerch multiple rocket launchers, along with the Ministry of Atomic Energy's construction in China of a centrifuge uranium-enrichment plant using technology developed at Toms-7 (the closed city of Seversk), could become not only a way for our hapless military-industrial complex to preserve jobs and earn money, but also the start of a long-range strategic partnership and a new balance of force in Asia that would favor Russia.<sup>97</sup>

Such assertions of narrow, self-seeking, and sectoral interests not only betray an absence of strategic perspective on what Russia must do to be an Asian player, they also

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illustrate a dangerously one-sided belief that military issues and resources alone suffice to reverse the trend towards marginalization and reassert Russia as a major and respected Asian player. Ironically, while Felgengauer was writing in conjunction with the 1996 summit in Beijing, other correspondents were rightly lamenting the fact that Russia missed the Euro-Asian economic summit in Bangkok. As long as the elements of the mindset portrayed by Felgengauer are not addressed and overcome, Russia's marginalization in Asia due to economic-political weakness will continue. And that marginalization will triumph over the utopian dream of great power on the basis of a rapidly declining military and defense industry.

### **The Militarizing View in Ascendancy.**

Russian security policy in Asia and elsewhere also suffers from the triumph of a world view that still sees Asian security mainly in military terms. This martial outlook is not confined to the armed forces, nor do all military men promote it, but it is linked to the overall structural defects of Russian policy and has distorted policymaking vis-à-vis Asia. This prevailing view also reflects the prior institutional failure and inhibits a rethinking of security policy and domestic reform. Felgengauer's report highlights several key aspects of the militarizing view which casts traditional power and geopolitical considerations as the sole factors defining Russian security perspectives. Although economics is regarded as the foundation of national power, it takes a back seat to Realpolitik and to exaggerated claims for Russia based on a Hobbesian perception of the world and of threats to Russia. As one analysis of trends in Russian geopolitical thinking concluded,

However, beneath the recognition of the changes that economic and technological development, particularly in Europe and Asia, have wrought on geopolitics, for Russians the concept of Eurasia remains rooted, as it has been historically, in control and defense of territory. It should, in this sense, be seen not only as the current means of binding the country together against the internal and external forces

that may threaten its unity, but also the continuing basis of Russia's great power aspirations.<sup>98</sup>

Minister of Interior, General Anatoly Kulikov, recently wrote that virtually all of Russia's neighbors and other interested powers actually-or potentially-threaten Russia's integrity. Therefore, the main basis of threat assessments must remain the geopolitical one, which emphasizes the use of force in reply.<sup>99</sup> Such thinking also unduly emphasizes Russia's standing as a great power equal to the United States, even if reality belies such pretensions. Accordingly, due to Russia's equal status to the United States, it must receive great power preferences and compensations equal to those of the United States. Moreover, Moscow holds that the West owes it something. Major General Anatoly Bolyatko (Retired) wrote that the United States must compensate for Russia's reduced military power in Asia by reducing and dissolving its own power in a compensating mechanism of a regional security system. That system would be based on a series of multilateral regional security structures and confidence-building mechanisms to lessen the threat of war.<sup>100</sup> Highlighting another aspect of this militarized world view, Alexei Zagorsky observed that the armed forces were, in fact, not committed to true military reform. In fact, he charged that they had changed relatively little in their anti-Western outlook since 1991 and hoped to restore Russia's great power status.<sup>101</sup>

Similarly, Russian threat assessments and military procurements in both Asia and Europe remain wedded to the threat of a great power war with the United States and its allies. For example, a Russian Air Force threat assessment in 1994 argued that Japan could launch an air offensive and amphibious attack against the Kuriles and Sakhalin with U.S. help. The objectives would be to seal off those islands and the Russian Pacific Fleet and to destroy Russian installations and forces in the Far East.<sup>102</sup> The notion that Russia would neither have warning nor could respond to or deter this threat by its nuclear and conventional forces is bizarre, to say the least. But Russian

planners use this scenario, and threats of NATO invasion and a Russo-Chinese war to demand an air fleet of 2000 planes.<sup>103</sup>

Alexei Arbatov observed that this threat assessment reflects the armed forces' natural tendency to retain the maximum number of traditional strategic roles and operational missions, while giving only lip service to new security realities. He notes that Russian armed forces' military requirements are still driven by contingency planning for major war with the United States, its NATO allies, and/or Japan. Therefore he charged that, "Nothing has really changed in the fundamental military approaches to contingency planning." The military's interest in self-preservation drives its threat assessment, force structure, and deployment policy rather than threat analysis determining the true needs of the armed forces.<sup>104</sup>

The absence of effective governmental control certainly contributes to this state of affairs, and as long as this mentality drives Russian defense policy, Russia will confront a hostile Japan and United States. To secure global parity with the United States, a stated goal of prominent naval commanders, Moscow, under Gorbachev and even after, has insisted on maintaining 22-24 SSBNs in the Sea of Okhotsk and other Asian bastions; 40 SSNs; over 150 naval aviation aircraft; Russia's largest surface fleet; and a large ground force in Asia. These forces constituted a standing threat to Japan and have driven Japan's very sizable force developments. By 1991 Japan had reacted to the Soviet regional buildup by obtaining almost 90 percent of the number of antisubmarine warfare (ASW) aircraft as the United States possessed throughout the Pacific and Indian Oceans, more tactical fighter aircraft than the United States had in Japan and Korea combined, and a potent, modern, and balanced navy.<sup>105</sup>

New force deployments also suggest the continuing primacy of major conventional, if not nuclear, warfighting in policy. Ever quieter submarines, SSBNs (subsurface nuclear powered submarines carrying nuclear missiles) and SSGNs (nuclear powered attack submarines with

conventional ordnance and missiles) with greater attack ranges, are being produced at a steady rate and are tracking the U.S. fleet for the first time in years.<sup>106</sup>

Current naval threat assessments are not significantly different from the old Soviet ones. In 1995, Rear Admiral Valery Aleksin of the Naval Academy advocated a building program through 2015 giving Russia 440 basic ocean-going warships: SSBNs, SSNs, and destroyers with cruise missiles, frigates, missile patrol boats, small guided-missile ships, amphibious ships, and mine sweepers. This figure omits antisubmarine ships, aircraft carriers, coastal missile forces and marines, and the investment in infrastructure needed to sustain this force and defend against all enemies, not just the United States.<sup>107</sup> This demand comes for a time when the U.S. Navy will have about 330 projected ocean-going ships!

Aleksin's threat assessment and force proposal also presumes returning to Soviet practices of worst case scenarios, and readiness for every conceivable contingency. He observed that:

Calculations show that the reliable performance of tasks by the naval strategic forces of homing antisubmarine rocket weapons systems in the Northern and Pacific fleets in a state of constant readiness, with no less than 15-20 units having a total of up to 240 ballistic missiles and about 1000 warheads. Only this will guarantee the stability of the Nuclear Strategic Forces of Russia under the most varied versions of the development of conflicts of any intensity.<sup>108</sup>

He argued that in wartime Russian forces must be able to strike throughout the enemy's entire depth of force disposition to terminate hostilities.<sup>109</sup> Aleksin called for a Russian worldwide oceanic strike force against every major naval power and imaginable contingency. Even if Russia could afford this burden, the program would unite all the major naval states against it.

Aleksin's first strike scenario postulates a massive land, sea, and air-based missile strike from hundreds, if not thousands, of miles away from Russia. In that scenario,



Russia's enemies possess new generations of Sea Launched Cruise Missiles (SLCMs) that can fire on Russia from the entire Northern Atlantic, the Indian, and the Pacific Oceans from as far away as Guam and Midway.<sup>110</sup> Therefore the Russian navy must deny those "sanctuaries" to the enemy. Russia's SSNs with SLCMs are the best weapon to counteract enemy delivery systems, followed by naval aviation. Accordingly he recommends a force that will not only fight across the world's oceans but can also achieve superiority over "probable coalitions" in wartime and peacetime deterrence.<sup>111</sup> Since then he has had to retract his desires and advocate a fleet of 300 vessels by 2010-2015. But clearly, his original article reflects his fundamental viewpoint.

Even if this is the usual call for more ships, these threat scenarios betray how little Aleksin and the Navy have learned from the Soviet collapse and the persistence of worst-case scenarios, inflated threats, and fantastic military construction assessments based on a nightmarish Realpolitik. Furthermore, Aleksin's threat assessment implicitly reasserts the demand for a bastion where Russian forces can act freely: in effect, a "limited" theater of strategic military action (TVD) in the Pacific from whence Russian ASW, naval aviation, and SSBNs can traverse the ocean to strike preemptively at enemy platforms. The prerequisite for this TVD remains an ability to subsume Japan and both Koreas within a Russian air, air defense, and naval umbrella and deny them to others. As long as such scenarios drive strategy and policy, Japan is a perpetually hostile enemy and staging base, Korea is an issue to be exploited solely to get the U.S. forces out, and Russia is isolated in Northeast Asia.<sup>112</sup>

Aleksin was not alone in confirming that military threat scenarios based on absolute worst-case scenarios persist. Bolyatko, too, conceded that worst-case scenario planning for Asian military contingencies continues in the Army and Strategic Nuclear Forces.<sup>113</sup> The conformity to Aleksin's approach is not accidental. Military spokesmen consistently reiterate that the real threat is U.S. naval, air, and strategic

superiority and if the United States would just reduce its arms and adhere to Russia's concept of Asian collective security, all would be well.<sup>114</sup> Military threat assessments and political pronouncements ignore their broader implications for national interests and continue casting Russia's Far East interests in essentially military terms with scenarios of hostility and constant Russian victimization. The traditional view that the region is constantly threatened by the United States, Japan, and possibly China, combined with a visibly racist attitude toward Japan and China and arrogant, overt disdain of Japanese interests, prevents a constructive approach to Asia. As a result, virtually every Russian security proposal in the last 30 years has been spurned by Asia and the United States because they are all so obviously self-serving and anti-American. Persistence in this error will not win friends and influence in Asia.

The dominance of the militarizing view in Russian Asia saddles it with a regional military force that it cannot afford to either support or withdraw lest it create a further flight of population from the area. Consequently, its military decline goes on unabated.<sup>115</sup> Paradoxically, the primacy of the militarizing view in policy ensures that those forces which are available in Russian Asia are insupportable and are steadily declining in their combat effectiveness.

Where this militarizing mindset flourishes and the government cannot control commanders' political activity, the latter find it easy and tempting to engage with various political coalitions for policies favoring their corporate interests and promote those interests as national ones. Accordingly, factionalism and fragmentation overlap with Russia's incoherent policy process and allow for the unlimited intervention of military officers into the political process.

The rise of the conservatives since 1992 has consolidated the supremacy of the militarizing view in Asian policy and is directly traceable to the success enjoyed by the coalition of nationalists, military officers, and anti-reformers against normalization of ties with Japan and return of the Kurile

Islands. The military publicly advanced arguments of dubious strategic value and played upon the notion of racism against Japan and the U.S.-Japanese threat, while local politicians in Sakhalin, led by Governor Fedorov, and anti-reformers attacked the idea and the policy of normalization. Their intense opposition forced Yeltsin to cancel his visit to Tokyo in 1992 and arrested the forward movement of the reform campaign. The decision to forego rapprochement with Japan has had "incalculable" consequences for returning Russia to the road of Realpolitik and away from reform.<sup>116</sup>

Accordingly, friendship with Japan has become progressively more difficult to achieve and bilateral relations remain very cold. It has been impossible for any Russian government to approach Tokyo in a spirit of reconciliation and normalization. To complicate matters, Russia keeps acting provocatively against Tokyo even as it pushes for a better relationship and a way to address the Kurile Islands issue.<sup>117</sup> The failure to normalize relations with Japan means that Russia cannot hope for extensive Japanese foreign investment or political support, both of which are essential for Russia's recovery in Asia. Japanese investment and political support for Russia is now held hostage to hostile domestic forces who have the upper hand, have already tasted blood, and will not hesitate to do so again.

The victory of the "militarizing" viewpoint has innumerable negative consequences. The supremacy of a world view couched only in terms of 19th century Realpolitik means that "new thinking" that can ensure domestic reform cannot prevail. The notion that Russia is under permanent worldwide military threat makes it impossible for liberal views and policies to take hold in the elite's, as well as the masses', political agendas. First of all, when such rhetoric and views of world politics take precedence, they distort Russian thinking and action in and about Asia, inclining Moscow to emphasize military enemies. Second, the militarizing view aligns a politicized and angry military with retrogressive anti-reform forces at home. This alliance

impedes economic reform, democratization, and the enhancement of Russia's security and world standing. It also hampers democratic control of the armed forces and poisons domestic political rhetoric with a strident, but prejudiced nationalism. Third, this mentality frightens every other major player in Asia who is convinced that Russia is either unreliable or not serious as a partner, is uncommitted to reform, does not accept the collapse of the Soviet Union in 1991, and has nothing constructive to say about Asia. And it offers them excuses for not further demilitarizing their forces that are qualitatively superior to Russia's (e.g., the U.S. Navy, supposedly the greatest military threat to Russia). Its primacy also prevents Japan from changing its mind about Russia and opening up foreign investment to Russia and the Russian Far East. The prevalence of the militarizing view ultimately facilitates Russia's isolation and insecurity in Asia while adding to its military weakness. Fourth, it reinforces the strength of the anti-reform coalition at home by forcing Russia to virtually ally itself with China for it has no other Asian option. Thus a perfectly rational policy of friendship and partnership with China is carried to an excessive length, where support for each other's government becomes support for each other's form of rule, confirming some of the more retrograde thinkers in Russian and Chinese politics in their anti-Americanism. The militarizing view not only reflects and reinforces the disarray at home; it also adds foreign reinforcements to it and precludes Russia from achieving an Asian place in the sun.

Unless and until a new approach to security that radically diverges from this viewpoint is devised, Russia's prospects in Asia will be bleak. Russian security must be built not on the attributes of the militarizing view, but on the basis of its real resources and the real threats it faces which are largely due to its own economic-political crisis and inability to deal with it. Thinking about security must proceed from the realistic evaluation of Russia's true assets and deficits rather than from the hallmarks of the militarizing approach and "old thinking."

## Is Official Policy Changing?

The most recent developments strongly suggest a continuation of these negative trends. Yeltsin's reelection in July 1996 did not overcome the government's structural problems; rather the election campaign and its outcome reinforced them. During this campaign, the leadership of most agencies with responsibility for national security was replaced as part of an ever more overt and incessant factional struggle that Yeltsin has deliberately fostered. In foreign policy, Primakov reasserted the classical view that foreign policy must not be tailored to the realities of Russia's internal condition but rather must create the conditions favorable to resolving the most vital domestic needs.<sup>118</sup> The traditional and anachronistic view of the primacy of defense and foreign policy still reigns supreme in policymakers' minds. Both he and Yeltsin strongly reassert that Russia must pursue global goals and interests even though the resources for them are just not there. For example, Bolyatko observes that not only is wholesale modernization of Russia's Pacific-based nuclear forces (land and sea-based) beyond Moscow's means, but doing so would also awaken Chinese suspicions of Russian aims, something that must be avoided at all costs.<sup>119</sup> Nor can Moscow support its armed forces in Russian Asia.

These analyses suggest that Russia's state crisis, excessive partiality to China, and the primacy of policymakers' traditional attitudes toward Asia can only lead Russia to a dead end. Yet this insight seems to elude Russian policymakers. Apart from the examples cited above, we can quote from the leaked national security document of June 1996 which stated:

Russia must attentively study different variants of cooperation with Asian-Pacific countries, including China. Such an **alliance** (emphasis author) could help create a **unique self-sufficient system with enormous potential for development and cooperation and a large internal market, which would be able to conduct independent and efficient foreign policy towards any other geopolitical systems** (emphasis author). That is why

strengthening and developing trade, production, scientific, military, political and cultural relations with Asian-Pacific countries must be considered a major political and, above all, economic strategic task for Russia.<sup>120</sup>

All these signs point to a policy whose north star is harmonizing relations with China, hardly a manifestation of a strategic concept based on a clear vision of Russian interests. It is hardly surprising, therefore, that Chinese diplomats and media incite Russian opposition to NATO expansion and the United States; and Russian observers and journalists talk of "objective factors" impelling economic and military cooperation with China.<sup>121</sup> This reasoning signifies a subcontracting of Russian Asian policy to Beijing and the imperatives of arms manufacturers, not a well-thought-out policy that strengthens Russia's truly independent capacity to exert influence. Russia may court South Korea with trade and ASEAN with arms, but they, as well as North Korea, remain skeptical of Russian policy. Consequently, the return on Russia's investment in arms sales and its on again, off again, equidistance from both Koreas is meager.<sup>122</sup>

## **Conclusions.**

Yeltsin has not used the 5 years of his first term successfully or sagely insofar as defining a stable role for Russia in Asia is concerned. Instead, his own policies have made a bad situation worse. He has deliberately cultivated a style that fragments political authority and all but precludes the formulation of coherent policy. As a result, too much of Asia policy (if not policy in general) is in the hands of sectoral or factional lobbies who invoke the precepts of "old thinking" to pursue private gain, e.g., unrestricted arms sales with no thought for Russian interests, or the mindless pursuit of chauvinistic aims even where they antagonize key actors like Japan. As a result, in Northeast Asia the United States takes no heed of Russian interests. South Korea is losing interest in Russia and does not take it as seriously as in the past. North Korea, too, remains dubious about Moscow. Japan, for its part, is frozen in a wary stance

toward Russia and remains unwilling to lead the Asian economy into massive involvement in the Russian Far East. Due to these factors, Russia is slouching toward an excessive dependence on Chinese policies and leadership in areas where Beijing could easily provoke serious crises that Russia would then be unable to avoid. Russia could, for example, end up involved in areas such as the Spratly Islands or Taiwan where vital Russian interests are not engaged. Not only is policymaking crippled and Russia's regional standing impaired, the instruments of policy, too, are not being improved. Despite massive economic change, Asiatic Russia remains more backward than it should be and less connected to world or Asian trade than it could be. Consequently, conventional and nuclear force modernization is impossible for reasons of fiscal stringency and because Russia is excessively wedded to China. Conventional force modernization has also stagnated due to bad policy regarding the defense industry and the failure to devise effective military reform. That failure, in itself, owes much to the failure to control the military and build a coherent state structure and policy process. In the end it is the Russian state's ability to create a viable and legitimate order that ensures a prominent place in Asia. At present, Asia knows that and Russia does not. Asia is outpacing Russia for the first time in history and no longer needs Russian tutelage, examples, or leadership. In short, while Russia needs Asia more than ever to climb out of its crises, Asia needs Russia less than ever. Unless Russia can draw the appropriate consequences from this state of affairs, its crisis and marginality in Asia will continue with profoundly disruptive consequences for everyone.

## ENDNOTES

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